

15.411 Targeted industries development — financial assistance.

1. As used in this part, unless the context otherwise requires:

a. “*Internship*” means temporary employment of a student that focuses on providing the student with work experience in the student’s field of study.

b. “*Targeted industries*” means the industries of advanced manufacturing, biosciences, and information technology.

2. The department shall, upon board approval, contract with service providers on a case-by-case basis for services related to statewide commercialization development in the targeted industries. Services provided shall include all of the following:

a. Assistance provided directly to businesses by experienced serial entrepreneurs for all of the following activities:

(1) Business plan development.

(2) Due diligence.

(3) Market assessments.

(4) Technology assessments.

(5) Other planning activities.

b. Operation and coordination of various available competitive seed and prototype development funds.

c. Connecting businesses to private angel investors and the venture capital community.

d. Assistance in obtaining access to an experienced pool of managers and operations talent that can staff, mentor, or advise start-up enterprises.

e. Support and advice for accessing sources of early stage financing.

3. The department shall establish and administer a program to provide financial and technical assistance to encourage prototype and concept development activities that have a clear potential to lead to commercially viable products or services within a reasonable period of time in the targeted industries. Financial assistance shall be awarded on a per project basis upon board approval. The amount of financial assistance available for a single project shall not exceed one hundred fifty thousand dollars. In order to receive financial assistance, an applicant must demonstrate the ability to secure one dollar of nonstate moneys for every two dollars received from the department.

4. The department shall, upon board approval, establish and administer a program to provide financial assistance for projects designed to encourage collaboration between commercial users and developers of information technology in the state for the purpose of commercializing existing software and applications technologies. Financial assistance shall not exceed one hundred thousand dollars per project. In order to receive financial assistance, an applicant must demonstrate the ability to secure two dollars of nonstate moneys for every one dollar received from the department. Financial assistance shall be awarded to projects that will result in technologies being developed as commercial products for sale by Iowa companies rather than as custom applications for proprietary use by a participating firm.

5. The department shall, upon board approval, establish and administer a program to provide financial assistance to businesses or departments of businesses engaged in the delivery of information technology services in the state for the purpose of upgrading the high-level technical skills of existing employees. The amount of financial assistance shall not exceed twenty-five thousand dollars for any business site. In order to receive financial assistance, an applicant must demonstrate the ability to secure two dollars of nonstate moneys for every one dollar received from the department.

6. The department shall, upon board approval, establish and administer a targeted industries internship program for Iowa students. For purposes of this subsection, “*Iowa student*” means a student of an Iowa community college, private college, or institution of higher learning under the control of the state board of regents, or a student who graduated from high school in Iowa but now attends an institution of higher learning outside the state of Iowa. The purpose of the program is to link Iowa students to small and medium sized Iowa firms in the targeted industries through internship opportunities. An Iowa employer may receive financial assistance in an amount of one dollar for every two dollars paid by the employer to an intern. The amount of financial assistance shall not exceed three thousand one hundred dollars for any single internship, or nine thousand three hundred dollars for any

single employer. In order to be eligible to receive financial assistance under this subsection, the employer must have five hundred or fewer employees and must be engaged in a targeted industry. The department shall encourage youth who reside in economically distressed areas, youth adjudicated to have committed a delinquent act, and youth transitioning out of foster care to participate in the targeted industries internship program.

7. The department of economic development shall work with the department of workforce development to create a statewide supplier capacity and product database to assist the department of economic development in linking suppliers to Iowa-based companies. The department of economic development may procure technical assistance for the creation of the database from a third party through a request for proposals process.

8. The technology commercialization committee created pursuant to section 15.116 shall review all applications for financial assistance and requests for proposals pursuant to this section and make recommendations to the board.

9. In each fiscal year, the department may transfer additional moneys that become available to the department from sources such as loan repayments or recaptures of awards from federal economic stimulus funds to the innovation and commercialization development fund created in section 15.412, provided the department spends those moneys for the implementation of the recommendations included in the separate consultant reports on bioscience, advanced manufacturing, information technology, and entrepreneurship submitted to the department in calendar years 2004, 2005, and 2006.

10. The board shall adopt rules pursuant to chapter 17A necessary for the administration of this section.

2007 Acts, ch 122, §1; 2008 Acts, ch 1122, §17 – 19; 2009 Acts, ch 82, §1; 2010 Acts, ch 1009, §2, 4

Subsection 6 amended